

ORDER NO. 2434

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Robert G. Taub, Acting Chairman;
Tony Hammond, Vice Chairman;
Mark Acton;
Ruth Y. Goldway; and
Nanci E. Langlely

Modification of Mail Classification
Schedule Regarding the Issuance
of New Forever Stamps

Docket No. MC2015-42

ORDER APPROVING MINOR CLASSIFICATION CHANGE

(Issued April 9, 2015)

I. INTRODUCTION

On March 25, 2015, the Postal Service filed a notice pursuant to 39 C.F.R. §§ 3020.90 and 3020.91 concerning a minor classification change adding non-denominated, non-expiring (“Forever”) status stamps in five First-Class Mail stamp categories.¹ For the reasons stated below, the Commission approves the proposed change.

¹ Notice of the United States Postal Service of Minor Classification Changes Related to the Issuance of Forever Stamp Status to the Postcard, Two-Ounce, Three-Ounce, Additional Ounce, and Nonmachinable Surcharge Stamps, March 25, 2015 (Notice).

II. PROCEDURAL HISTORY

The Postal Service proposes to amend the Mail Classification Schedule (MCS) by adding non-denominated, non-expiring (“Forever”) status to stamps in five different First-Class Mail stamp categories: (1) a postcard stamp, (2) the two-ounce letter stamp, (3) the three-ounce letter stamp, (4) the additional ounce stamp, and (5) the first ounce nonmachinable surcharge stamp, as well as modify the definition of Forever stamps. Notice at 1.

The Postal Service states that the proposed changes reflect its objective to simplify the transactions associated with price changes. *Id.* at 2. It also seeks to eliminate the need for customers and the Postal Service to acquire and distribute new denominated stamps when a price change occurs. *Id.*

The Postal Service elects to delay the proposed changes, originally intended to take effect on April 26, 2015, along with other price and classification changes.² The Postal Service states the delay is to “minimize the potential adverse impacts that might result from staggering the implementation of new prices.”³ The Postal Service states that it will announce a revised implementation date when it submits revised rates for Standard Mail, Periodicals, and Package Services. *Id.*

On March 26, 2015, the Commission issued an order establishing the present docket, appointing a Public Representative, and providing interested persons with the opportunity to comment.⁴

² United States Postal Service Notice of Delayed Implementation of Minor Classification Changes Related to the Issuance of Forever Stamps – Errata, April 2, 2015.

³ Docket Nos. R2015-4 and CP2015-33, Notice of the United States Postal Service of Delayed Implementation of First-Class Mail, Special Services, and Competitive Prices, March 31, 2015 at 2.

⁴ Order No. 2414, Notice and Order Concerning Minor Classification Change, March 26, 2015.

III. COMMENTS

Comments were filed by the Public Representative, David B. Popkin, Stamps.com, and the Greeting Card Association (GCA).⁵

The Public Representative recommends the Commission approve the addition of Forever stamps to the five proposed First-Class Mail stamp categories. PR Comments at 3. He believes the new Forever stamps will enhance customer convenience for the additional First-Class Mail stamp categories. *Id.* The Public Representative confirmed with the Postal Service that each new stamp will include the specific category of First-Class Mail to which the stamp applies; however, the word “Forever” will no longer be used. *Id.* He considers the inclusion of the specific category of First-Class Mail essential as it will provide clarity on the intended use of each new stamp. *Id.*

Popkin comments that the Postal Service assured him that the conditions that apply to current Forever stamps will also apply to the new Forever stamps and explained what information would be inscribed on each stamp. Popkin Comments at 1-2. He supports the Postal Service’s request to expand Forever stamp status to the five additional First-Class Mail stamp categories. *Id.* at 2.

Both Stamps.com and GCA support the Postal Service’s request and urge the Commission to approve the proposed changes. Stamps.com Comments at 3; GCA Comments at 2.

Stamps.com states that the proposed changes are “in line with the purpose of the Forever stamp.” Stamps.com Comments at 2. Stamps.com also recommends Forever stamp status be expanded to Customized Postage as it believes Customized Postage would realize the same benefits as the five additional First-Class Mail stamp categories. *Id.*

⁵ See Comments of David B. Popkin, March 31, 2015 (Popkin Comments); Public Representative Comments on Postal Service Notice of Minor Classification Change Concerning Issuance of New Forever Stamps, April 2, 2015 (PR Comments); Comments of Stamps.com, April 2, 2015 (Stamps.com Comments); Comments of the Greeting Card Association, April 2, 2015 (GCA Comments).

GCA states that the proposed changes are logical and will “simplify[] life for the citizen mailer.” GCA Comments at 2.

IV. COMMISSION ANALYSIS

The Postal Service filed the proposed change pursuant to 39 C.F.R. §§ 3020.90 and 3020.91, which requires the Postal Service to submit corrections to the MCS to ensure that the product descriptions accurately represent current product and service offerings. Notices filed pursuant to these rules are appropriate when the proposed change to the MCS is relatively minor in nature and does not entail modifying either the market dominant or the competitive product lists. Provided the change is not inconsistent with 39 U.S.C. § 3642, the Commission will update the MCS to coincide with the effective date of the proposed change. 39 C.F.R. § 3020.93.

The Commission commends the Postal Service for expanding its successful Forever stamp offerings to five additional First-Class Mail stamp categories. It agrees with commenters that the expansion of Forever stamp status to these categories will enhance customer convenience. The Commission agrees with the Public Representative that the inclusion of the specific category of First-Class Mail on each stamp would provide added clarity for potential customers. To ensure successful implementation of its Forever stamp offerings, the Commission encourages the Postal Service to continue to educate its employees and the public regarding these stamps’ usage and value. The Commission acknowledges the suggestion by Stamps.com to expand Forever stamp status to Customized Postage, and believes the suggestion worthy of consideration by the Postal Service, but as the operator, the decision as to whether to pursue the proposal belongs to the Postal Service.

Based on its review of the Notice and all comments received, the Commission approves the proposed classification change as consistent with 39 C.F.R. §§ 3020.90 and 3020.91 and not inconsistent with 39 U.S.C. § 3642. In light of the Postal Service’s delayed implementation of the proposed changes, the Commission suspends revisions to the MCS arising from the Notice until the revised implementation date.

V. ORDERING PARAGRAPHS

It is ordered:

1. The proposed classification change is in accordance with 39 C.F.R. § 3020.90 *et seq.* and is not inconsistent with 39 U.S.C. § 3642.
2. The Commission suspends revisions to the Mail Classification Schedule arising from the Notice until the revised implementation date.
3. The Secretary shall arrange for publication in the *Federal Register* of an updated product list reflecting the change made in this Order.

By the Commission.

Ruth Ann Abrams
Acting Secretary

CHANGES TO THE MAIL CLASSIFICATION SCHEDULE

The following material represents a change to the Mail Classification Schedule. The Commission uses two main conventions when making changes to the Mail Classification Schedule. New text is underlined. Deleted text is struck through.

Part A—Market Dominant Products

1100 First-Class Mail

1105 Single-Piece Letter/Postcard

1105.5 Prices

Single-Piece Machinable Stamped Letters^{1, 2, 3}

Notes

1. The price for single-piece, ~~first one, two, or three~~ ounce letters also applies to sales of Forever stamps and Forever Print-on-Demand indicia at the time of purchase, as specified by the Postal Service.
2. The price for a Forever additional ounce stamp is the difference between the 2-ounce price and the 1-ounce price.
- ~~32.~~ A handling charge of \$0.01 per piece applies to foreign-origin, inbound direct entry mail tendered by foreign postal operators, subject to the terms of an authorization arrangement.

Single-Piece Nonmachinable Stamped Letters¹

Notes

1. The price for single-piece, first-ounce nonmachinable letters also applies to sales of Forever nonmachinable stamps and Forever Print-on-Demand indicia at the time of purchase.

Single-Piece Postcards^{1, 2}

Notes

1. The price for single-piece postcards also applies to sales of stamped cards marked with Forever postage, at the time the stamped cards are purchased. This price also applies to Forever postcard stamps.

Part C—Glossary of Terms and Conditions

3000 Glossary of Terms and Conditions

3007 F

Forever stamps/indicia

Forever stamps and Forever Print-on-Demand indicia are sold at the prevailing price for single-piece one-ounce, two-ounce, three-ounce, additional ounce, and nonmachinable surcharge letter stamps or single-piece postcard stamps, letters, first ounce, in First-Class Mail, as specified by the Postal Service. Once purchased, Forever stamps and Forever Print-on-Demand indicia may be used for postage equal to the prevailing price, at the time of use, for single-piece one-ounce, two-ounce, three-ounce, additional ounce, and nonmachinable surcharge letter stamps or single-piece postcard stamps, letters, first ounce, in First-Class Mail, as specified by the Postal Service. Forever stamps and Forever Print-on-Demand indicia are intended for the prepayment of postage for ~~the first ounce of~~ First-Class Mail single-piece letter or postcard mail, and otherwise may be used for the prepayment of postage. Forever Print-on-Demand indicium is a form of postage offered by the Postal Service, consisting of images aligned with indicia of postage payment.